



ANNUAL REPORT 2016 - 2017

## **Board of Directors**

**Mr. Anil Moolchandani**  
Chairman and Managing Director

**Mr. Dilip Seth**  
Director (Finance) and CFO

**Mr. Jagdish Moolchandani**  
Director

**Mr. Sunil Behl**  
Director

**Mr. Arun Singhal**  
Director

**Dr. Bhavna Chadha**  
Director

**Mr. Gautam**  
Company Secretary & Compliance Officer

### **Auditors**

M/s Uberoi Sood & Kapoor  
Chartered Accountants  
New Delhi

### **Bankers**

Citibank N.A.  
ICICI Bank Ltd.  
Indusind Bank Ltd.

### **Registered Office**

191F, Sector-4, IMT Manesar, Gurugram,  
Haryana-122050

### **Corporate Office**

C-113, Naraina Industrial Area Phase-1, New  
Delhi-110028

# CONTENT

**Page 2-3**

**When you love someone  
your heart celebrates**

**Page 4-5**

**We make Gifting a  
memorable experience**

**Page 6**

**Loved Stuffed Toys**

**Page 7**

**From the Chairman's Desk**

**Page 8**

**Year at a Glance**

**Page 9-18**

**Notice**

**Page 19-47**

**Director's Report**

**Page 48-57**

**Report On Corporate  
Governance**

**Page 58-63**

**Independent Auditors'  
Report**

**Page 64-84**

**Balance Sheet**





we make Gifting a memorable experience



unique and thoughtful Gifts



## Loved Stuffed Toys





## FROM THE CHAIRMAN'S DESK

Dear Friends,

Archies was founded in 1979 as a greeting card company for people to express their feelings and emotions in the most special way. It was a simple thought. Let's give people a beautiful reason to express their thoughts to the ones they hold close to their heart. What started out 38 years ago as a greeting card only brand has now become a celebrated social expression brand spanning across the country.

The belief that every relationship is unique and every person in our life holds an indispensable place, has kept us striving to deliver the most thoughtful ways to help our customers express their feelings. Since our advent we have been working on uncovering ways to let people express their feelings and probably that's what has made millions of people shower upon us all their love. It gives us a wonderful feeling to see that Archies in these 4 decades has become a go-to destination to let people deliver smiles to their loved ones in the most special way.

When I look around and see people celebrating days like Valentine's Day, Mother's Day, Father's Day, Friendship Day and Daughter's Day etc., I feel proud to have introduced these days to the Social Calendar in India.

In 2016, when we came up with a fun concept 'Desi Archies' with a focus on Indian-ness in design and product ranges, I was pleased to see that it was welcomed by customers in such a short span of time, filling a niche that was waiting to be filled.

The year gone by seemed determined to prove that we indeed live in a VUCA World. The effects of demonitization hit us hard in the immediate term, as people came to terms with the same. Coming during what is termed as a "festive quarter" and given that we fall into discretionary spending, the drop in footfalls was sharp.

In the long term though, retail will benefit as there is a huge hidden cost in cash transactions. Accounting, cash handling, shrinkages, lack of change are just a few heads that add up to cost or loss of sale.

One has to face a few hurdles, while hoping for a better tomorrow. With the completion of another year, we look forward to achieving a new set of goals and continue to think out thoughtful ways to let people express themselves.

Mr. Anil Moolchandani  
Chairman and Managing Director  
Archies Limited

## Year At A Glance

(₹. in Lacs)

S. No.	Particulars	2016-2017	2015-2016	2014-2015
1.	TOTAL TURNOVER	<b>18554.73</b>	19572.88	19568.80
2.	OTHER INCOME	<b>112.21</b>	211.30	166.14
3.	TOTAL EXPENDITURE	<b>18608.05</b>	18616.90	18283.71
4.	PROFIT BEFORE DEPRECIATION, INTEREST AND TAX (PBDIT)	<b>58.89</b>	1067.33	1451.23
5.	PBDIT AS A % OF TOTAL TURNOVER	<b>0.32</b>	5.48	7.42
6.	INTEREST	<b>221.13</b>	188.11	179.54
7.	DEPRECIATION	<b>376.69</b>	461.12	639.77
8.	PROFIT / LOSS BEFORE TAX (PBT)	<b>(538.93)</b>	418.10	631.92
9.	PBT AS A % OF TOTAL TURNOVER	<b>(2.90)</b>	2.15	3.23
10.	EXTRAORDINARY ITEM	<b>0.00</b>	0.00	0.00
11.	PROFIT BEFORE TAX AFTER EXTRAORDINARY ITEM	<b>(538.93)</b>	418.10	631.92
12.	PROVISION FOR TAXATION	<b>(178.76)</b>	128.83	219.68
13.	PROFIT AFTER TAX (PAT)	<b>(360.17)</b>	289.27	412.24
14.	PAT AS A % OF TOTAL TURNOVER	<b>(1.94)</b>	1.49	2.11
15.	PAID UP EQUITY SHARE CAPITAL	<b>675.62</b>	675.62	675.62
16.	RESERVES (EXCLUDING REVALUATION RESERVES)	<b>10041.75</b>	10396.04	10129.85
17.	NET WORTH	<b>10717.37</b>	11071.66	10805.47
18.	EARNING PER SHARE OF FACE VALUE ₹ 2 (IN ₹)	<b>(1.07)</b>	0.86	1.22
19.	BOOK VALUE PER SHARE OF FACE VALUE ₹ 2 (IN ₹)	<b>31.73</b>	32.78	31.99
20.	DIVIDEND (%)	<b>NIL</b>	NIL	15
21.	AMOUNT OF DIVIDEND	<b>0.00</b>	0.00	101.34
22.	RETURN ON AVERAGE NET WORTH (%)	<b>(3.31)</b>	2.64	3.71
23.	RETURN ON AVERAGE CAPITAL EMPLOYED (%)	<b>(2.59)</b>	5.04	6.83